



Administrative Regulations

Number AR24-4 Issue 2

Subject: Regulation Governing Use and Occupancy of Long Beach Convention and Entertainment Center.

I. PURPOSE:

The purpose of this Administrative Regulation is to implement, make specific and otherwise carry out the provisions of Part I of Chapter 4 of Article VII (commencing with Section 7410 through 7410.5, inclusive) of the Municipal Code.

II" SCOPE:

This regulation is applicable to all City departments and offices responsible directly to the City Manager. It is also requested that elective offices and other independent offices and departments of the City comply with this procedure in the interest of administrative uniformity.

III. AMENDMENT:

The City Manager, with the approval of the City Council, may amend the procedures and contents set forth in this regulation from time to time as appropriate.

IV. POLICY:

The provisions of this regulation shall apply to use and occupancy or conduct of any business at, in or adjacent to, the Long Beach Convention and Entertainment Center ("Center") in accordance with Part I of Chapter 4 of Article VII, Section 7410 through 7410.5, inclusive, of the Municipal Code

V. APPLICATION FORMS AND PERMITS.

Application forms and permits to use and occupy the Center shall conform to and contain all the provisions of the standard forms attached to this regulation, and by this reference made a part hereof.

VI. RENTAL METHODS

The Manager of the Center shall fix rentals which are consistent with sound business practices and which will generate maximum utilization and revenues for the Center. In this regard, the Manager may apply any or all of the following rental methods:

A. Fixed Rental: Rental based upon fixed rates not less

- B. <u>Percentage Rental</u>: Rental based upon a percentage of gross receipts generated from the sale of tickets or paid admission not less than the percentages specified in Schedule "A", attached.
- C. <u>Square Footage Rental</u>: Rental based upon a charge per square foot of floor space sold, licensed or used by a permittee not less than the charges per square foot specified in Schedule "A". attached.

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D. <u>Cost of Operation Rental</u>: Rental based upon all direct costs attributable to the use or occupancy of the Convention Center including labor, utilities, materials and supplies and general city and department overhead.

VII. RENTAL EXCEPTIONS

A. <u>Gross Receipts</u>: Gross receipts upon which the percentage is computed shall not include any sums collected and remitted for any admission taxes, excise taxes or sales taxes imposed by any duly constituted governmental authority and separately stated, nor shall they include refunds made to patrons, customers, or exhibitors. Any exclusion from gross receipts shall be described and substantiated in the written statement of gross receipts as provided herein above.

The Manager may, in an effort to compete effectively for events to be held in the Center which are in the best interests of the City and the tideland trust of the City, adjust the gross receipts upon which the percentage rental is applied provided that the minimum rental shall be in no event less than the minimum chares set forth in Schedule "A". attached.

- B. <u>Square Footage Rental</u>: Square footage upon which the rental is computed shall not include space used to display materials of an educational nature when such space is furnished at no cost to the exhibitor and from which the permittee receives no revenue or space which is used by and for the benefit of the Center.
- C. <u>Conventions</u>: The Manager may waive rental charges for meetings or conventions of record, as recorded by or in the files of the International Association of Convention Bureaus in those instances where the Manager determines that (1) the event promotes or accommodates dates a tideland trust purpose; (2) no gross receipt are derived by the permittee; (3) the meeting requirements are associated with a trade show utilizing the facility and (4) the event will generate a positive financial impact on the City and the tideland trust interests—of the City. Where the Manager waives the rental charge, the permute shall be entitled to receive without cost or expense one basic setup per day and the use of the permanent sound system.
- D. Use by Governmental Agencies: Governmental agencies may use or occupy the Center or portions thereof without the imposition of a rental charge provided that (1) the date or dates of use or occupancy need not be held on a priority or firm basis for over thirty (30) days, and (2) the governmental agency shall pay in lieu of a rental charge, the costs of operation. The term "governmental agency" as used herein shall include federal, state, county, city-county, city governments and all agencies, departments, boards, commissions, divisions and authorities thereof. In the event a governmental agency shall require that the date or dates be held on a priority or firm basis for a period in excess of thirty (30) days, a rental charge as provided herein shall be imposed and paid.

VIII. ADDITIONAL RENTAL CHARGES

The following conditions shall apply to the imposition of additional rental charges:

A. <u>Overtime:</u> The rental charges set forth in Schedule "A" shall constitute the consideration payable for consecutive hours of occupancy as follows:

Facility	Consecutive Hours
Arena	17
Terrace Theater	8
Center Theater	8
Exhibition Hall	17
Meeting Rooms	6

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For each hour or fraction of an hour of occupancy in excess of the number of consecutive hours of occupancy of a facility set forth above, a permittee may be required to pay to the City as additional rental, an amount equal to the hourly rate prescribed in the permit times one and one-half.

- B. <u>Rehearsals</u>: Rehearsal facilities shall be assigned by the Manager on the basis of availability. For each hour or fraction thereof that a facility is occupied for rehearsal purposes, the Manager may impose an additional rental charge in an amount equal to the cost of operation (as that phrase is defined herein) of the facility occupied.
- C. <u>Move-in and Out</u>: For exhibit events, a total of three days of move-in and out is included in the rental charge. If additional days are required, an additional rental charge shall be imposed equal to not less than one-half of the minimum rental prescribed in Schedule "A", attached.
- D. <u>Fixing of Rentals</u>: Subject to the prior approval of the City Manager, the Manager may establish different rental charges where the rental charge is not expressly provided for herein. Notwithstanding the foregoing, the rental charge so fixed by the Manager shall not be less than the cost of operation (as that phrase is defined herein).

IX. SERVICES INCLUDED IN RENTAL CHARGE

City shall provide normal overhead lighting, heating and air conditioning, permanent seats, stage and sound systems.

X. SPECIAL STAFFING AND EQUIPMENT

The rental charges provided in Schedule "A" do not include special staffing or the use and rental of portable equipment. The term "special staffing" as used here is defined to mean such personnel as may be required to stage an event including, without limitation, ushers, ticket sellers, ticket takers, box office personnel, stagehands, sound equipment operators, guards, musicians, clean-up, set-up or other labor not expressly included in the permit. Permittee, at its sole cost, shall furnish all necessary special staffing. All personnel furnished shall be agents and employees of Permittee and act for and on behalf of Permittee only. City shall not be responsible to Permittee for the acts or omissions of such personnel or for any funds received by them. The Manager may credit against Permittee's rental payments the cost of providing special staffing and portable equipment provided such credits are in the best interests of the City and the tideland trust of the City and that not less than the minimum applicable rental rates included in Schedule "A" shall be received.

XI. CONCESSIONS:

The Manager shall issue permits to conduct concessions in, on, from or adjacent to the Center provided the term thereof does not exceed thirty (30) days. Concession permits for a period in excess of thirty (30) days shall be issued and approved by the City Council. Fees for concession permits where such concessions are not expressly included in the rental permits issued by the Manager may be fixed on a monthly or single event basis or on a percentage of gross receipts basis. The percentage chargeable shall not be less than the percentage as set forth in Schedule "A". Attached.

XII. RENTAL PAYMENT AND ACCOUNTING PROCEDURES

- A. <u>Deposit of Rental payments</u>: All rental payments upon receipt by the Manager shall be promptly deposited to the City Treasury to the credit of the Tideland Operating Fund.
- B. <u>Advance Deposits</u>: The Manager shall determine the amount of the advance deposit and the manner of payment to assure payment thereof in full prior to occupancy.

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- C. <u>Fixed Rentals</u>: The fixed rental if applicable shall be accounted for and paid in accordance with the provisions of advance deposits included herein.
- D. <u>Percentage Rentals</u>: The percentage rental, if applicable, shall be accounted for and paid as follows: (1) immediately after the closing of the box office for each daily event, Permittee shall deliver or cause to be delivered to the Manager, a written statement signed by Permittee or its duly authorized representative setting forth in detail the elements and amounts of gross receipts realized from sales of tickets for said daily event. If the percentage rental payable exceeds the fixed rental paid to City, Permittee shall pay or cause to be paid at the conclusion of the event any such difference; and, (2) within five (5) working days after the staging of the event or events authorized by the permit, Permittee shall deliver or cause to be delivered to the Manager, a written statement signed by Permittee or its duly authorized representative setting forth in detail the elements and amounts of gross receipts realized from sales of tickets for said event or events. If the percentage rental payable exceeds the fixed rental paid to City, Permittee shall pay or cause to be paid at the time of delivery of said written statement any such difference.
- E. <u>Square Footage Rental</u>: The square footage rental if applicable shall be accounted for and paid as follows: upon the close of each day, Permittee shall deliver or cause to be delivered to the Manager a written statement signed by Permittee or its duly authorized representative setting forth the total square footage of exhibit space within the authorized areas sold, licensed or used by Permittee or other persons, firms or corporations. If the square footage rental payable exceeds the! fixed rental, Permittee shall pay or cause to be paid at the conclusion of the event any such difference.
- F. <u>Cost of Operation Rental</u>: The cost of operation if applicable shall be accounted for and paid as follows: as soon as possible after the conclusion of the event, a statement of total costs of operation will be prepared by the Manager and presented to the Permittee. Permittee shall pay or cause to be paid at the time of delivery of said written statement any rental due.
- G. <u>Refunds of Advance Deposit or Rentals</u>: No refund shall be made of any advance deposits or rental if for any reason an event is cancelled without the prior written approval of the Manager. Refunds of deposits shall be made if: (1) the Permittee gives written notice of cancellation at least thirty (30) days prior to date reserved; or (2) the event is cancelled by the Manager or-by the Manager with the express written consent of the Permittee.

XIII BONDS

The Manager may require any person applying for a permit to use the center or any portion thereof or for a concession permit to furnish a bond, in cash or with sureties approved by the Manager, conditioned upon the Permittee well and truly keeping and faithfully performing all of the terms, convenants and conditions of the permit. The City Attorney shall approve as to form each bond furnished.

XIV. TICKET AND ACCOUNT CONTROL

Permittee shall cause all admission tickets to be printed and delivered to the office of the Manager by a bonded ticket printing company and prior to each event deliver to the Manager a copy of said ticket printer's manifest made to the United States Government. All complimentary admission tickets in excess of five percent (5%) of the total daily paid admissions shall be deemed paid admissions valued at the highest manifest ticket price per ticket for the purpose of computing the percentage rental due City. The price schedule of tickets shall be mutually agreed upon by Permittee and Manager. Permittee shall furnish to the Manager, upon request, up to but not more than 48 seats selected by the Manager for each reserved seat performance, or for each general admission performance, including trade shows and walk-around shows for the use of the City. Tickets furnished at the request of the Manager shall be without cost to the City and shall not be considered as part of the complimentary ticket limitation. Permittee shall not sell or otherwise dispose of tickets for any event in excess of the seating capacity of the authorized areas nor admit to the authorized areas a larger number of persons that can safely and freely move about in said authorized-areas.

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XV. PERMITS AND LICENSES

A permit issued by the Manager for the use and occupancy of the Center, or any portion thereof, shall exempt a Permittee or exhibitor from complying with the provisions of Article VI commencing at Section 6100 et. seq. of the Municipal Code pertaining to Businesses, Professions and Trades. Said exemption shall not apply whenever the permit authorizes or the Permittee without permission allows the sale of merchandise upon the premises covered by the permit for cash or credit or a combination of cash and credit.

XVI. ADVERTISING, RADIO AND TELEVISION RIGHTS ~~

All advertising, radio, television, transcription or recording rights in connection with any use of the Long Beach Convention Center are reserved to the City. Such rights may be granted to a Permittee upon terms and conditions determined by the Manager, which terms and conditions shall be set forth in the written permit issued by the Manager. Where such rights are granted to a Permittee, the permit shall provide that any violation of the terms and conditions of such written permission shell result in a revocation of the rights granted without notice to the Permittee. The Manager shall take such actions as may reasonably be required to prevent and enjoin any unauthorized advertising, broadcast or telecast. If the Permittee should receive any compensation in any form for the assignment or grant of said rights to others, the amount or value of said compensation, as determined by the Manager, shall be deemed additional gross receipts upon which the rental charge for the use of the facility is based.

XVII. ADVERTISING MATERIALS AND DISPLAYS

No person shall place, erect, affix, or otherwise display any advertising material, sign or structure in the Center without first obtaining the written permission of the Manager to do so.

XVIII. ENFORCEMENT OF PERMITS

The Manager shall enforce the terms and conditions of permits issued for the use or occupancy of the Center and of concession permits whether issued by the Manager or the City Council.

XIX. EQUIPMENT

No equipment shall be loaned, rented or removed from the Center without the prior written authorization of the Manager.